

NEW ORLEANS COUNCIL ON AGING, INC.
COMPREHENSIVE FINANCIAL STATEMENTS

June 30, 2002

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1/15/03

CASCIO, DAVIS & SCHMIDT, LLP
Certified Public Accountants

NEW ORLEANS COUNCIL ON AGING, INC.

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**NEW ORLEANS COUNCIL ON AGING, INC.
STATE FUNDED SENIOR CENTERS**

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PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
New Orleans Council on Aging, Inc.

We have audited the accompanying general purpose financial statements of the New Orleans Council on Aging, Inc. as of and for the year ended June 30, 2002, as listed in the table of contents. These general purpose financial statements are the responsibility of the New Orleans Council on Aging, Inc.'s management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit. The prior year summarized comparative information has been derived from the Corporation's 2001 financial statements and, in our report dated November 29, 2001, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the New Orleans Council on Aging, Inc. as of June 30, 2002, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated December 12, 2002, on our consideration of New Orleans Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying combining, and account group financial statements and schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the general purpose financial statements of the New Orleans Council on Aging, Inc. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the general purpose financial statements. Such information has been subjected to the auditing procedures applied in the examination of the general purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Cascio, Davis & Schmidt, LLP.

Metairie, Louisiana
December 12, 2002

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS

June 30, 2002

ASSETS

	TOTALS (MEMORANDUM ONLY)		
	GENERAL FUND	SPECIAL REVENUE FUND	GENERAL FIXED ASSETS
Cash, including certificates of deposit of \$11,154 (Note C)	\$ 97,182	\$ 623,231	\$ -
Receivables			
Grant (Note D)	35,000	152,759	-
Due from other funds	-	12,004	-
Other	7,055	5,862	-
	<u>-</u>	<u>-</u>	<u>73,275</u>
Furniture and equipment - at cost (Notes A11 and E)	\$ 139,237	\$ 793,856	\$ 73,275
Total assets			\$ 1,006,368
			\$ 1,283,785

LIABILITIES AND FUND BALANCE

Accounts payable and accrued liabilities	\$ 2,186	\$ 202,800	\$ -	\$ 204,986	\$ 280,986
Due to other funds	12,004	-	-	12,004	78,818
Due to funding sources	-	5,292	-	5,292	5,256
Fund balances					
Undesignated	125,047	585,764	-	710,811	838,513
Investment in general fixed assets	-	-	73,275	73,275	80,212
Total liabilities and fund balance	\$ 139,237	\$ 793,856	\$ 73,275	\$ 1,006,368	\$ 1,283,785

See accompanying notes to financial statements.

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES-
ALL GOVERNMENTAL FUND TYPES

For the year ended June 30, 2002

			TOTALS (Memorandum Only)	
	GENERAL FUND	SPECIAL REVENUE FUND	2002	2001
Revenues				
Intergovernmental (Note B)	\$ 208,893	\$ 4,188,976	\$ 4,397,869	\$ 3,830,311
Contributions	8,257	431,137	439,394	1,014,736
Interest income	7,699	15,584	23,283	52,557
Other	<u>26,468</u>	<u>-</u>	<u>26,468</u>	<u>21,192</u>
Total revenues	<u>251,317</u>	<u>4,635,697</u>	<u>4,887,014</u>	<u>4,918,796</u>
Expenditures				
Salaries	77,250	1,073,119	1,150,369	1,096,535
Fringe benefits	3,658	170,800	174,458	161,145
Travel	2,736	27,964	30,700	24,681
Operating services	38,823	176,995	215,818	236,769
Operating supplies	4,482	50,464	54,946	42,397
Other	9,014	296,425	305,439	279,602
Food costs	-	1,048,430	1,048,430	1,054,119
Capital outlay	-	9,000	9,000	21,072
Grants to subrecipients	-	1,651,074	1,651,074	1,224,352
Utility assistance	<u>-</u>	<u>374,487</u>	<u>374,487</u>	<u>568,860</u>
Total expenditures	<u>135,963</u>	<u>4,878,758</u>	<u>5,014,721</u>	<u>4,709,532</u>
Excess (deficiency) of revenues over expenditures	115,354	(243,061)	(127,707)	209,264
Other financing sources (uses)				
Operating transfers in	48,043	1,309,216	1,352,798	1,352,798
Operating transfers out	<u>(173,889)</u>	<u>(1,183,370)</u>	<u>1,352,798</u>	<u>(1,352,798)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(10,492)	(117,215)	(127,707)	209,264
Fund balance at July 1, 2001	<u>135,539</u>	<u>702,974</u>	<u>838,513</u>	<u>629,249</u>
Fund balance at June 30, 2002	\$ <u>125,047</u>	\$ <u>585,759</u>	\$ <u>710,806</u>	\$ <u>838,513</u>

See accompanying notes to financial statements.

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS)
AND ACTUAL - GENERAL FUND TYPE

For the year ended June 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE -</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues			
Intergovernmental (Note B)	\$ 143,893	\$ 208,893	\$ 65,000
Contributions	-	8,257	8,257
Interest Income	-	7,699	7,699
Other	<u>26,604</u>	<u>26,468</u>	(<u>136</u>)
Total revenues	<u>170,497</u>	<u>251,317</u>	<u>80,820</u>
Expenditures			
Salaries	133,879	77,250	56,629
Fringe benefits	18,686	3,658	15,018
Travel	3,244	2,736	508
Operating services	30,711	38,823	(8,112)
Operating supplies	6,454	4,482	1,972
Other	<u>1,200</u>	<u>9,014</u>	(<u>7,814</u>)
Total expenditures	<u>194,164</u>	<u>135,963</u>	<u>58,201</u>
Excess (deficiency) of revenues over expenditures	(23,667)	115,354	139,021
Other financing sources (uses)			
Operating transfers in	90,000	48,043	(41,957)
Operating transfers out	(<u>66,333</u>)	(<u>173,889</u>)	(<u>107,556</u>)
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	(10,492)	\$ (<u>10,942</u>)
Fund balance at July 1, 2001	<u>125,000</u>	<u>135,539</u>	
Fund balance at June 30, 2002	\$ <u>125,000</u>	\$ <u>125,047</u>	

See accompanying notes to financial statements.

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET (GAAP BASIS)
AND ACTUAL - SPECIAL REVENUE FUND TYPE

For the year ended June 30, 2002

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE - Favorable (Unfavorable)</u>
Revenues			
Intergovernmental (Note B)	\$ 4,275,255	\$ 4,188,976	\$ 86,279
Contributions	1,205,930	431,137	774,793
Interest Income	<u>22,000</u>	<u>15,584</u>	<u>6,416</u>
Total revenues	<u>5,503,185</u>	<u>4,635,697</u>	<u>867,488</u>
Expenditures			
Salaries	1,216,187	1,073,119	143,068
Fringe benefits	220,356	170,800	49,556
Travel	51,315	27,964	23,351
Operating services	176,199	176,995	(796)
Operating supplies	49,212	50,464	(1,252)
Other	161,138	296,425	(135,287)
Food cost	1,032,633	1,048,430	(15,797)
Capital outlay	9,500	9,000	500
Grants to subrecipients	1,666,001	1,651,074	14,927
Utility assistance	<u>1,086,071</u>	<u>374,487</u>	<u>711,584</u>
Total expenditures	<u>5,668,612</u>	<u>4,878,728</u>	<u>789,854</u>
Excess (deficiency) of revenues over expenditures	(165,427)	(243,061)	77,634
Other financing sources (uses)			
Operating transfers in	1,153,161	1,309,216	(156,055)
Operating transfers out	<u>(1,002,192)</u>	<u>(1,183,370)</u>	<u>181,178</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	(14,458)	(117,215)	\$ <u>102,757</u>
Fund balance at July 1, 2001	<u>702,000</u>	<u>702,974</u>	
Fund balance at June 30, 2002	\$ <u>687,542</u>	\$ <u>585,759</u>	

See accompanying notes to financial statements.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS

June 30, 2002

NOTE A - SUMMARY OF ACCOUNTING POLICIES

A summary of the Corporation's significant accounting policies consistently applied in the preparation of the accompanying general purpose financial statements follows:

1. Financial Reporting Entity

The New Orleans Council on Aging, Inc. ("Council") is a non-profit corporation which complies with the policies and regulations established by the Governor's Office of Elderly Affairs.

The primary function of the New Orleans Council on Aging, Inc. is to improve the quality of life for the Parish's elderly and to provide services to the elderly, as well as coordinate and monitor the services of other local agencies serving the aging people of the Parish. Such services include providing meals, information and assistance services, legal assistance, homemaker services, operating senior centers, residential repair, home health care, job training and education, and utility assistance.

The accompanying general purpose financial statements present all Federal, State and City funding programs operated by the New Orleans Council on Aging, Inc. for the year ended June 30, 2002.

2. Basis of Presentation - Fund Accounting

The accounts of the Council are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues and expenditures or expenses as appropriate. The various funds are summarized by type in the financial statements. The following fund types and account groups are used by the Council.

Governmental Fund Types

General Fund - The General Fund is the general operating fund of the Council. It is used to account for all financial resources not accounted for in other funds.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Account Group

General Fixed Assets Group - The general fixed assets account group is used to account for the general fixed assets of the Council.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

3. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financial uses) in net current assets.

4. Revenue Recognition

For financial reporting, the General Fund, Title III B Program, Title III (CI) Congregate Meal Program, Title III (C2) Home Delivered Meals Programs, Title III D- Preventive Health, Title III E - Caregiver Program, Homemaker Grant, Home Improvement Program, State funded Senior Center Programs, and State Funds recognize revenue on a pro-rata basis of its approved budget. Retired Senior Volunteer Program (RSVP), Senior Companion Program (SCP), Louisiana Stadium and Exposition District, Helping Hands Program, Energy Assistance Program, recognize revenue as received. The CDBG Entitlement Grant recognizes revenue on a cost reimbursement basis.

5. Subcontract and Provider Cash

The agency subcontracts with other organizations to provide services to the elderly; for example, senior center programs. The cost of such programs is shown in accordance with the budgetary requirements as filed with its funding source. The excess costs to administer these services by the subcontractor or provider are the responsibility of the organization and such excess costs are not reflected on these general purpose financial statements. The New Orleans Council on Aging, Inc. only reflects the subcontractor or provider costs to the extent of the contract amount.

6. Transfers

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, advances are accounted for through various Due From and Due To accounts.

7. Budget Policy

The budgets for the various programs are prepared by the Council and approved by the grantor of the funds for each respective program where appropriate. Expenditures cannot legally exceed appropriations on an individual fund level.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE A - SUMMARY OF ACCOUNTING POLICIES - CONTINUED

8. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

9. Fair Value of Financial Instruments

Cash, cash equivalents, and temporary investments carrying amounts reported in the statement of financial position approximate fair value because of the short maturities of those investments.

10. Total Columns of Combined Statements - Overview

Total columns on the combined statements - overview are captioned "Memorandum Only" to indicate that they are presented only to assist with financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

11. Fixed Assets

Fixed assets are stated at historical costs or estimated historical cost, if actual historical cost is not available. Donated fixed assets are stated at their estimated fair market value on the date donated. No depreciation has been provided on general fixed assets.

12. Annual and Sick Leave

The Council's liability for accumulated unpaid vacation has been recorded as an expenditure and liability in the general fund. These amounts are recorded as general fund expenditures in the year the employer becomes vested. The Council's sick leave policy does not provide for the vesting of sick leave.

NOTE B - REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES

1. Intergovernmental Grants

Intergovernmental grant revenues are recorded in governmental funds as revenues in the accounting period when they become susceptible to accrual, that is measurable and available (modified accrual basis). Intergovernmental grants do not allow the Council to recognize revenue under the grant award until actual costs are incurred or units of service are provided. Senior Center, Homemaker Grant, Home Improvement Grant, State Allocation (Act 735), Title III B, C -1, C -2, D and E funds are received as a monthly allocation of the total grant in advance of the actual expenditures, but are not susceptible to accrual as revenue until the actual expenditures are made. CDBG, and Audit funds are also recognized as revenue once the related

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE B - REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES - CONTINUED

1. Intergovernmental Grants - Continued

cost has been incurred, and the grant reimbursement is measurable and available. Louisiana Stadium and Exposition District funds are recognized as received.

U.S.D.A. program funds are earned and become susceptible to accrual basis upon the number of units provided to program participants and are recorded as revenues at that time.

2. Public Support and Miscellaneous Revenues

The Council encourages and receives contributions from clients to help offset the costs of the Title III-B, C-1 and C-2 programs. Utility assistance funds are provided from public donations sponsored by Entergy, Inc. The timing and amounts of the receipts of public support and miscellaneous revenues are difficult to predict, therefore, they are not susceptible to accrual and are recorded as revenue in the period received.

3. Summary of Intergovernmental Revenue

<u>GRANTS</u>	<u>GRANT PERIOD</u>	<u>GRANT AWARD</u>	<u>INTERGOVERNMENTAL REVENUE RECOGNIZED</u>
<u>General Fund</u>			
City of New Orleans	01/01/01-12/31/01	\$ 140,000	\$ 70,000
	01/01/02-12/31/02	140,000	70,000
Governor's Office of Elderly Affairs			
Act 735 PCOA	07/01/01-06/30/02	68,893	<u>68,893</u>
Total general fund			<u>\$ 208,893</u>

Special Revenue Funds

Governor's Office of Elderly Affairs

AAA Administration	07/01/01-06/30/02	\$ 160,251	\$ 160,251
Title III B Supportive Services		613,623	613,623
Title III (C1) Congregate Meals Programs		583,571	583,571
Title III (C2) Home Delivered Meals			
Programs		354,736	354,736
Audit Funds		13,404	13,404
Title III E - Caregiver Program		155,515	155,515
Senior Centers		335,400	335,400
Supplemental Senior Center		1,246,800	906,800
USDA		270,870	275,887
Title III F - Prevention Health		26,731	26,731
Homemaker Grant		125,000	125,001

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE B - REVENUE RECOGNITION - INTERGOVERNMENTAL GRANTS, PUBLIC SUPPORT, AND MISCELLANEOUS REVENUES - CONTINUED

3. Summary of Intergovernmental Revenue -Continued

<u>GRANTS</u>	<u>GRANT PERIOD</u>	<u>GRANT AWARD</u>	<u>INTERGOVERNMENTAL REVENUE RECOGNIZED</u>
<u>Governor's Office of Elderly Affairs - Continued</u>			
Home Improvement Program		200,000	200,000
Senior Companion Program Match		17,237	17,237
Retired Senior Volunteer Program Match		23,563	23,563
<u>Action</u>			
Retired Senior Volunteer Program	09/30/00-09/29/01	83,553	23,746
Retired Senior Volunteer Program	09/30/01-09/29/02	88,813	64,737
Senior Companion Program	04/01/01-03/31/02	246,360	183,315
Senior Companion Program	04/01/02-03/31/03	258,947	65,484
<u>City of New Orleans</u>			
CDBG Entilement Grant	01/01/02-08/31/02	50,000	50,000
<u>Louisiana Stadium & Exposition District</u>			
	03/22/02-03/21/03	9,975	<u>9,975</u>
Total special revenue fund			<u>4,188,976</u>
TOTAL			\$ <u>4,397,869</u>

NOTE C - CASH

The Council's funds are required to be deposited and invested under the terms established by the Governor's Office of Elderly Affairs. The depository bank deposits for safekeeping and trust with the Council's third party agent approved pledged securities in an amount sufficient to protect the Council funds on a day-to-day basis. The council may at its own discretion, invest funds in time deposits and certificates of deposit at interest rates approximating United States Treasury Bill rates.

At June 30, 2002, the carrying amount of the Council's deposits (cash and certificates of deposit) was \$720,413 and the bank balance was \$1,047,660. The entire bank balance throughout the year was covered by federal depository insurance or by collateral held by the Council's agent in the Council's name.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE D - GRANT RECEIVABLES

Grant receivables consist of reimbursements for expenses incurred under the following programs as of June 30, 2002.

<u>Programs</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>
City of New Orleans	\$ 35,000	\$ -
USDA Grant	-	22,538
Corporation for National Services	-	<u>130,221</u>
Total grant receivable	<u>\$ 35,000</u>	<u>\$ 152,759</u>

NOTE E - CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	<u>Furniture Office and Equipment</u>	<u>Transportation Equipment</u>	<u>Total</u>
Balance at July 1, 2001	\$ 68,042	\$ 12,170	\$ 80,212
Acquisitions	9,000	-	9,000
Retirements	<u>(15,937)</u>	<u>-</u>	<u>(15,937)</u>
Balance at June 30, 2002	<u>\$ 61,105</u>	<u>\$ 12,170</u>	<u>\$ 73,275</u>

NOTE F - RENTAL EXPENSE

The rental expense for the administrative offices for the year ended June 30, 2002 totaled \$77,820.

The administrative offices are leased under an operating lease for a two year period beginning September 1, 2001, with the following rents:

First year annual rent	\$ 65,045
Second year annual rent	\$ 66,021

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE G - EMPLOYEE RETIREMENT PLAN

Effective July 1, 1990 the New Orleans Council on Aging, Inc. began providing retirement benefits to all of its employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate upon completion of one year of service and attainment of age 21. The formula for determining employer contributions is determined each Plan Year by a resolution of the Board of Directors. The Council's contribution for each employee is fully vested after five years of service. Voluntary employee contributions are permitted.

The Council's total payroll in the fiscal year ended June 30, 2002 was \$1,096,535. The Council's contributions were calculated by using the base salary amount of \$898,050. The Council made a 6% contribution on behalf of the Council's employees which totaled \$53,882.

NOTE H - INCOME TAXES

The corporation is exempt from corporate income taxes under Section 501(c)(3) of the Internal Revenue Code.

NOTE I - PRIOR YEAR FINANCIAL INFORMATION

The amounts shown for June 30, 2001 in the accompanying Balance Sheet, and Statement of Revenue and Expenses and Changes in Fund Balance are included to provide a basis for comparison with June 30, 2002 and present summarized totals only. Accordingly, the June 30, 2001 amounts are not intended to present all information necessary for a fair presentation in accordance with generally accepted accounting principles.

NOTE J - BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member.

NOTE K - FEDERALLY ASSISTED PROGRAMS

The Council participates in a number of federally assisted programs. These programs are audited in accordance with the Single Audit Act Amendments of 1996. Audits of prior years have not resulted in any disallowed costs; however, grantor agencies may provide for further examinations. Based on prior experience, the Council's management believes that further examinations would not result in any significant disallowed costs.

In accordance with the Single Audit Act Amendments of 1996, and the Office of Management and Budget Circular A-133, a schedule of federal awards is presented.

NEW ORLEANS COUNCIL ON AGING, INC.

NOTES TO FINANCIAL STATEMENTS - CONTINUED

June 30, 2002

NOTE L - ECONOMIC DEPENDENCY

The Council received the majority of its revenue from funds provided through grants administered by the Louisiana Governor's Office of Elderly Affairs. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Council receives could be reduced significantly and have an adverse impact on its operations. At the time of completion of the examination of the agency's general purpose financial statements, management was not aware of any actions taken that would have a material adverse affect on the amount of funds the Council will receive in the next fiscal year.

SUPPLEMENTAL INFORMATION

NEW ORLEANS COUNCIL ON AGING, INC.

**COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GENERAL FUND**

For the year ended June 30, 2002

	<u>ACT 735</u> <u>PCOA</u>	<u>GENERAL</u> <u>ACCOUNT</u>	<u>TOTAL</u>
Revenues			
Intergovernmental			
Governor's Office of Elderly Affairs	\$ 68,893	\$ -	\$ 68,893
City of New Orleans	-	140,000	140,000
Contributions	-	8,257	8,257
Interest income	-	7,699	7,699
Other	-	26,468	26,468
Total revenues	<u>68,893</u>	<u>182,424</u>	<u>251,317</u>
Expenditures			
Salaries	-	77,250	77,250
Fringe Benefits	-	3,658	3,658
Travel	-	2,736	2,736
Operating services	3,286	35,537	38,823
Operating supplies	405	4,077	4,482
Other	-	9,014	9,014
Total expenditures	<u>3,691</u>	<u>132,272</u>	<u>135,963</u>
Excess of revenues over expenditures	65,202	50,152	115,354
Other financing sources (uses)			
Operating transfers in	-	48,043	48,043
Operating transfers out	(65,202)	(108,687)	(173,889)
Excess (deficiency) of revenues and other uses over expenditures and other uses	-	(10,492)	(10,492)
Fund balance at July 1, 2001	<u>-</u>	<u>135,539</u>	<u>135,539</u>
Fund Balance at June 30, 2002	\$ <u>-</u>	\$ <u>125,047</u>	\$ <u>125,047</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
SPECIAL REVENUE FUNDS

For the year ended June 30, 2002

	TITLE III (C1) CONGREGATE MEALS PROGRAM	TITLE III (C2) HOME DELIVERED MEALS PROGRAM	TITLE III (C1) ADMINISTRATION	TITLE III B SUPPORTIVE SERVICES	AUDIT FUNDS	ADMINISTRATIVE SEED FUNDS
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 583,571	\$ 354,736	\$ 160,251	\$ 613,623	\$ 13,404	\$ -
City of New Orleans	-	-	-	-	-	-
Corporation for National Service	-	-	-	-	-	-
Louisiana Stadium and Exposition	-	-	-	-	-	-
District	-	-	-	-	-	-
Participant contributions	84,758	12,067	-	55	-	-
Contributions	-	-	272	-	-	-
Interest income	-	-	13,652	-	-	-
	<u>668,329</u>	<u>366,803</u>	<u>174,175</u>	<u>613,678</u>	<u>13,404</u>	<u>-</u>
Expenditures						
Salaries	99,859	122,745	224,666	393,432	-	-
Fringe benefits	18,336	13,926	39,634	67,827	-	-
Travel	2,755	507	3,956	11,634	-	-
Operating services	20,058	12,066	66,841	46,988	-	-
Operating supplies	8,078	1,435	14,803	4,861	-	-
Other costs	-	44,554	9,118	579	13,404	-
Food costs (Note)	526,535	367,555	-	-	-	-
Capital outlay	9,000	-	-	-	-	-
Grants to subrecipients	-	-	-	893,033	-	-
Utility assistance	-	-	-	-	-	-
	<u>684,621</u>	<u>562,788</u>	<u>359,018</u>	<u>1,418,354</u>	<u>13,404</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(16,292)	(195,985)	(184,843)	(804,676)	-	-
Other financing sources (uses)						
Operating transfers in	16,292	195,985	184,843	804,676	-	-
Operating transfers out	-	-	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	-	-	-
Fund balance at July 1, 2001	-	-	-	-	-	1,000
Fund balance at June 30, 2002	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,000</u>

Note: Food costs consist of the following:

Raw food	\$ 273,798	\$ 191,129
Other	252,737	176,426
	<u>\$ 526,535</u>	<u>\$ 367,555</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
SPECIAL REVENUE FUNDS - Continued

For the year ended June 30, 2002

	TITLE III D PREVENTIVE HEALTH	HELPING HANDS PROGRAM	MEDICAL ASSISTANCE	USDA PROGRAM	HOMEMAKER GRANT	SENIOR CENTER PROGRAM
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ 26,731	\$ -	\$ -	\$ 275,887	\$ 125,001	\$ 335,400
City of New Orleans	-	-	-	-	-	-
Corporation for National Service	-	-	-	-	-	-
Louisiana Department of Labor	-	-	-	-	-	-
Louisiana Stadium and Exposition	-	-	-	-	-	-
District	-	-	-	-	-	-
Participant contributions	-	-	-	-	-	-
Contributions	-	233,137	-	-	-	912
Interest income	-	<u>1,600</u>	-	-	-	-
	<u>26,731</u>	<u>234,737</u>	<u>-</u>	<u>275,887</u>	<u>125,001</u>	<u>336,312</u>
Expenditures						
Salaries	5,510	-	-	-	-	29,572
Fringe benefits	-	-	-	-	-	2,288
Travel	1,309	-	-	-	-	2,477
Operating services	1,104	-	-	-	-	5,971
Operating supplies	8,998	-	-	-	-	274
Other costs	4,556	-	-	-	-	3,860
Food costs	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Grants to subrecipients	-	-	-	-	118,751	399,290
Utility assistance	-	-	-	-	-	-
	<u>21,477</u>	<u>320,534</u>	<u>-</u>	<u>-</u>	<u>118,751</u>	<u>443,732</u>
Excess (deficiency) of revenues over expenditures	5,254	(85,797)	-	275,887	6,250	(107,420)
Other financing sources (uses)	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	107,420
Operating transfers out	-	-	-	(212,277)	(6,250)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	5,254	(85,797)	-	63,610	-	-
Fund balance at July 1, 2001	-	<u>96,398</u>	<u>10,209</u>	<u>72,438</u>	<u>-</u>	<u>-</u>
Fund balance at June 30, 2002	<u>\$ 5,254</u>	<u>\$ 10,601</u>	<u>\$ 10,209</u>	<u>\$ 136,048</u>	<u>\$ -</u>	<u>\$ -</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
SPECIAL REVENUE FUNDS

For the year ended June 30, 2002

	MEALS ON WHEELS	RETIRED SENIOR VOLUNTEER PROGRAM	SPECIAL PROJECT	SENIOR COMPANION PROGRAM	SUPPLEMENTAL SENIOR CENTER	ENERGY ASSISTANCE PROGRAM	TITLE III E CAREGIVER PROGRAM
Revenues							
Intergovernmental							
Governor's Office of Elderly Affairs	\$ -	\$ 23,563	\$ -	\$ 17,237	\$ 906,800	\$ -	\$ 155,515
City of New Orleans	-	-	-	-	-	-	-
Corporation for National Service	-	88,483	-	248,799	-	-	-
Louisiana Department of Labor	-	-	-	-	-	-	-
Louisiana Stadium and Exposition District	-	-	-	-	-	-	-
Participant contributions	-	-	-	-	-	-	-
Contributions	30,000	-	-	1,936	-	-	-
Interest income	<u>30,000</u>	<u>332</u>	<u>-</u>	<u>267,972</u>	<u>906,800</u>	<u>-</u>	<u>155,515</u>
Expenditures							
Salaries	-	64,131	-	58,820	-	-	43,027
Fringe benefits	-	12,066	-	10,940	-	-	2,573
Travel	-	2,906	-	1,923	-	-	497
Operating services	-	4,330	-	6,138	-	1,459	5,453
Operating supplies	-	1,538	-	(184)	-	1,642	9,019
Other costs	-	12,120	-	198,226	-	119	9,889
Food costs (Note)	28,000	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
Grants to subrecipients	-	-	-	-	-	50,000	-
Utility assistance	<u>28,000</u>	<u>97,091</u>	<u>-</u>	<u>275,863</u>	<u>-</u>	<u>53,953</u>	<u>70,458</u>
Excess (deficiency) of revenues over expenditures	2,000	15,287	-	(7,891)	906,800	(107,173)	85,057
Other financing sources (uses)	-	-	-	-	-	-	-
Operating transfers in	-	-	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(906,800)</u>	<u>(48,043)</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	2,000	15,287	-	(7,891)	-	(155,216)	85,057
Fund balance at July 1, 2001	<u>28,000</u>	<u>21,591</u>	<u>283</u>	<u>(11,099)</u>	<u>-</u>	<u>434,660</u>	<u>-</u>
Fund balance at June 30, 2002	<u>\$ 30,000</u>	<u>\$ 36,878</u>	<u>\$ 283</u>	<u>\$ (18,990)</u>	<u>\$ -</u>	<u>\$ 279,444</u>	<u>\$ 85,057</u>

Note: Food costs consist of the following:

Raw food	\$ 14,560
Other	<u>13,440</u>
	<u>\$ 28,000</u>

NEW ORLEANS COUNCIL ON AGING, INC.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE-
SPECIAL REVENUE FUNDS - Continued

For the year ended June 30, 2002

	COMMUNITY DEVELOPMENT BLOCK GRANT	HOME IMPROVEMENT PROGRAM GRANT	PHILIP MORRIS	LOUISIANA STADIUM AND EXPOSITION DISTRICT	BROOKDALE FOUNDATION	TOTAL
Revenues						
Intergovernmental						
Governor's Office of Elderly Affairs	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ 3,791,719
City of New Orleans	50,000	-	-	-	-	50,000
Corporation for National Service	-	-	-	-	-	337,282
Louisiana Stadium and Exposition District	-	-	-	9,975	-	9,975
Participant contributions	-	-	-	-	-	96,880
Contributions	-	-	65,000	-	3,000	334,257
Interest income	-	-	-	-	-	15,584
	<u>50,000</u>	<u>200,000</u>	<u>65,000</u>	<u>9,975</u>	<u>3,000</u>	<u>4,635,697</u>
Expenditures						
Salaries	-	-	-	24,471	6,886	1,073,119
Fringe benefits	-	-	-	2,661	549	170,800
Travel	-	-	-	-	-	27,964
Operating services	-	-	5,835	693	59	176,995
Operating supplies	-	-	-	-	-	50,464
Other costs	-	-	-	-	-	296,425
Food costs (Note)	50,000	-	59,165	17,175	-	1,048,430
Capital outlay	-	-	-	-	-	9,000
Grants to subrecipients	-	190,000	-	-	-	1,651,074
Utility assistance	-	-	-	-	-	374,487
	<u>50,000</u>	<u>190,000</u>	<u>65,000</u>	<u>45,000</u>	<u>7,494</u>	<u>4,878,758</u>
Excess (deficiency) of revenues over expenditures	-	10,000	-	(35,025)	(4,494)	(243,061)
Other financing sources (uses)	-	-	-	-	-	1,309,216
Operating transfers in	-	-	-	-	-	(1,183,370)
Operating transfers out	-	(10,000)	-	-	-	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	-	-	(35,025)	(4,494)	(117,215)
Fund balance at July 1, 2001	-	-	-	45,000	4,494	702,974
Fund balance at June 30, 2002	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,975</u>	<u>\$ -</u>	<u>\$ 585,759</u>
Note: Food costs consist of the following:						
Raw Food	\$ 26,000	\$ 30,766	\$ 8,931			
Other	<u>24,000</u>	<u>28,399</u>	<u>8,244</u>			
	<u>\$ 50,000</u>	<u>\$ 59,165</u>	<u>\$ 17,175</u>			

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET -
GENERAL FUNDS**

For the year ended June 30, 2002

	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Actual (Over) Under Budgeted Expenditures</u>
<u>Act 735-POCA</u>			
Operating services	\$ 2,306	\$ 3,286	\$ (980)
Operating supplies	254	405	(151)
Transfers - out	<u>66,333</u>	<u>65,202</u>	<u>1,131</u>
	\$ <u>68,893</u>	\$ <u>68,893</u>	\$ <u>-</u>
 <u>General Account</u>			
Salaries	\$ 133,879	\$ 77,250	\$ 56,629
Fringe Benefits	18,676	3,658	15,018
Travel	3,244	2,736	508
Operating services	28,405	35,537	(7,132)
Operating supplies	6,200	4,077	2,123
Other costs	1,200	9,014	(7,814)
Transfers - out	<u>-</u>	<u>108,687</u>	<u>(108,687)</u>
	\$ <u>191,604</u>	\$ <u>240,959</u>	\$ <u>(49,355)</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET -
SPECIAL REVENUE FUNDS**

For the year ended June 30, 2002

		Actual	Actual
		Expenditures	(Over) Under
	<u>Budget</u>	<u>Expenditures</u>	<u>Budgeted</u>
			<u>Expenditures</u>
<u>Title III B - Supportive Services</u>			
Salaries	\$ 374,501	\$ 393,432	\$ (18,931)
Fringes	70,443	67,827	2,616
Travel	9,485	11,634	(2,149)
Operating services	52,840	46,988	5,852
Operating supplies	24,600	4,861	19,739
Other costs	288	579	(291)
Grants to subrecipients	<u>876,376</u>	<u>893,033</u>	<u>(16,657)</u>
	\$ <u>1,408,533</u>	\$ <u>1,418,354</u>	\$ <u>(9,821)</u>
 <u>AAA Administration</u>			
Salaries	\$ 226,698	\$ 224,666	\$ 2,032
Fringe Benefits	40,322	39,634	688
Travel	3,708	3,956	(248)
Operating services	69,221	66,841	2,380
Operating supplies	9,520	14,803	(5,283)
Other costs	<u>3,386</u>	<u>9,118</u>	<u>(5,732)</u>
	\$ <u>352,855</u>	\$ <u>359,018</u>	\$ <u>(6,163)</u>
 <u>Audit Funds</u>			
Other costs	\$ <u>13,404</u>	\$ <u>13,404</u>	\$ <u>-</u>
 <u>Title III D - Preventive Health</u>			
Salaries	\$ -	\$ 5,510	\$ (5,510)
Travel	-	1,309	(1,309)
Operating services	-	1,104	(1,104)
Operating supplies	2,631	8,998	(6,367)
Other costs	<u>24,100</u>	<u>4,556</u>	<u>19,544</u>
	\$ <u>26,731</u>	\$ <u>21,477</u>	\$ <u>5,254</u>
 <u>Louisiana Stadium & Exposition District</u>			
Salaries	\$ 22,201	\$ 24,471	\$ (2,270)
Fringe benefits	2,744	2,661	83
Operating services	693	693	-
Food costs	<u>19,362</u>	<u>17,175</u>	<u>2,187</u>
	\$ <u>45,000</u>	\$ <u>45,000</u>	\$ <u>-</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET -
SPECIAL REVENUE FUNDS - Continued**

For the year ended June 30, 2002

	<u>Budget</u>	<u>Expenditures</u>	<u>Actual (Over) Under Actual Budgeted Expenditures</u>
<u>Title III (C1) - Congregate Meals</u>			
Salaries	\$ 96,656	\$ 99,859	\$ (3,203)
Fringes	20,126	18,336	1,790
Travel	3,180	2,755	425
Operating services	19,152	20,058	(906)
Operating supplies	7,650	8,078	(428)
Other costs	-	-	-
Capital Outlay	9,500	9,000	500
Food costs	<u>505,709</u>	<u>526,535</u>	<u>(20,826)</u>
	<u>\$ 661,973</u>	<u>\$ 684,621</u>	<u>\$ (22,648)</u>
<u>Title III (C2) - Home Delivered Meals</u>			
Salaries	\$ 128,410	\$ 122,745	\$ 5,665
Fringes	14,969	13,926	1,043
Travel	438	507	(69)
Operating services	11,834	12,066	(232)
Operating supplies	1,680	1,435	245
Other costs	43,887	44,554	(667)
Food costs	<u>526,924</u>	<u>367,555</u>	<u>159,369</u>
	<u>\$ 728,142</u>	<u>\$ 562,788</u>	<u>\$ 165,354</u>
<u>Senior Center Program</u>			
Salaries	\$ 30,000	\$ 29,572	\$ 428
Fringes	2,385	2,288	97
Travel	2,500	2,477	23
Operating services	4,214	5,971	(1,757)
Operating supplies	211	274	(63)
Other costs	450	3,860	(3,410)
Grants to subrecipients	<u>447,475</u>	<u>399,290</u>	<u>48,185</u>
	<u>\$ 487,235</u>	<u>\$ 443,732</u>	<u>\$ 43,503</u>
<u>Community Development Block Grant</u>			
Food cost	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ -</u>
<u>Title III E - Caregiver Program</u>			
Salaries	\$ 44,123	\$ 43,027	\$ 1,096
Fringe benefits	6,155	2,573	3,582
Travel	2,782	497	2,285
Operating services	780	5,453	(4,673)
Operating supplies	500	9,019	(8,519)
Other costs	<u>101,175</u>	<u>9,889</u>	<u>91,286</u>
	<u>\$ 155,515</u>	<u>\$ 70,458</u>	<u>\$ 85,057</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET -
SPECIAL REVENUE FUNDS - Continued**

For the year ended June 30, 2002

	<u>Budget</u>	<u>Actual Expenditures</u>	<u>Actual (Over) Under Budgeted Expenditures</u>
<u>Home Improvement Program</u>			
Subrecipient costs	\$ 190,000	\$ 190,000	\$ -
Transfers - out	<u>10,000</u>	<u>10,000</u>	<u>-</u>
	\$ <u>200,000</u>	\$ <u>200,000</u>	\$ <u>-</u>
<u>USDA</u>			
Transfers - out	\$ <u>215,977</u>	\$ <u>212,277</u>	\$ <u>3,700</u>
<u>Miscellaneous Grant</u>			
Transfers - out	\$ <u>769,965</u>	\$ <u>906,800</u>	\$ <u>(136,835)</u>
<u>Energy Assistance Program</u>			
Operating services	\$ -	\$ 1,459	\$ (1,459)
Operating supplies	-	1,642	(1,642)
Other costs	-	119	(119)
Grants to subrecipient	-	50,000	(50,000)
Utility assistance	<u>986,071</u>	<u>53,953</u>	<u>932,118</u>
	\$ <u>986,071</u>	\$ <u>107,173</u>	\$ <u>878,898</u>
<u>Homemaker Grant</u>			
Grants to subrecipient	\$ 118,750	\$ 118,751	\$ (1)
Transfers - out	<u>6,250</u>	<u>6,250</u>	<u>-</u>
	\$ <u>125,000</u>	\$ <u>125,001</u>	\$ <u>(- 1)</u>
<u>Helping Hands Program</u>			
Utility assistance	\$ <u>100,000</u>	\$ <u>320,534</u>	\$ <u>(220,534)</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF EXPENDITURES
FOR TITLE III B - SUPPORTIVE SERVICES

Year ended June 30, 2002

	<u>Case Management</u>	<u>Homemaker</u>	<u>Information And Assistance</u>	<u>Nutrition Education</u>	<u>Legal Assistance</u>	<u>Outreach</u>
<u>New Orleans Council on Aging, Inc.</u>						
Salaries	\$ -	\$ 174,049	\$ 130,693	\$ -	\$ -	\$ 48,043
Fringes	-	31,746	20,140	-	-	11,861
Travel	-	5,885	2,641	-	-	2,573
Operating services	-	13,306	5,386	-	-	5,264
Operating supplies	-	179	342	-	-	331
Other costs	-	-	-	-	-	86
Grants to subrecipients	-	-	-	-	39,050	-
Subtotal	-	<u>225,165</u>	<u>159,202</u>	-	<u>39,050</u>	<u>68,158</u>
<u>Senior Centers</u>						
Salaries	-	-	8,536	-	-	2,845
Fringes	-	-	936	-	-	312
Travel	-	-	160	-	-	54
Operating services	-	-	3,100	-	-	1,035
Operating supplies	-	-	126	-	-	40
Other costs	-	-	-	-	-	-
Grants to subrecipients	18,429	23,476	129,910	2,970	-	20,343
Subtotal	<u>18,429</u>	<u>23,476</u>	<u>142,768</u>	<u>2,970</u>	-	<u>24,629</u>
Total expenses	<u>\$ 18,429</u>	<u>\$ 248,641</u>	<u>\$ 301,970</u>	<u>\$ 2,970</u>	<u>\$ 39,050</u>	<u>\$ 92,787</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF EXPENDITURES
FOR TITLE III B - SUPPORTIVE SERVICES - CONTINUED

Year ended June 30, 2002

	Assisted Transportation	Adult Day Care	Personal Care	Transportation	Other Priority Services	Other Non-Priority Services	Total
<u>New Orleans Council on Aging, Inc.</u>							
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 352,785
Fringes	-	-	-	-	-	-	63,747
Travel	-	-	-	-	-	-	11,099
Operating services	-	-	-	-	-	-	23,956
Operating supplies	-	-	-	-	-	-	852
Other costs	-	-	-	-	-	-	86
Grants to subrecipients	-	-	50,120	-	17,600	54,890	161,660
Subtotal	-	-	50,120	-	17,600	54,890	614,185
<u>Senior Centers</u>							
Salaries	-	-	-	12,194	-	17,072	40,647
Fringes	-	-	-	961	-	1,871	4,080
Travel	-	-	-	-	-	321	535
Operating services	-	-	-	12,697	-	6,200	23,032
Operating supplies	-	-	-	3,591	-	252	4,009
Other costs	-	-	-	-	-	493	493
Grants to subrecipients	28,647	7,726	14,234	177,244	68,755	239,639	731,373
Subtotal	28,647	7,726	14,234	206,687	68,755	265,848	804,169
Total expenses	\$ 28,647	\$ 7,726	\$ 64,354	\$ 206,687	\$ 86,355	\$ 320,738	\$ 1,418,354

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF EXPENDITURES
FOR TITLE III E - CAREGIVER PROGRAM

Year ended June 30, 2002

	Public Education	Information and Assistance	Individual Counseling	Support Groups	Group Respite	Institutional Respite	Material Aid
Salaries	\$ 9,614	\$ 2,413	\$ 12,306	\$ 6,013	\$ 12,681	\$ -	\$ -
Fringes	1,211	190	-	190	982	-	-
Travel	127	70	-	70	230	-	-
Operating services	375	41	170	126	282	4,337	41
Operating supplies	454	58	238	138	304	-	2,690
Other costs	9,830	5	15	9	20	-	4
	<u>\$ 21,611</u>	<u>\$ 2,777</u>	<u>\$ 12,729</u>	<u>\$ 6,546</u>	<u>\$ 14,499</u>	<u>\$ 4,337</u>	<u>\$ 2,735</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF EXPENDITURES
FOR TITLE III E - CAREGIVER PROGRAM - Continued

For the year ended June 30, 2002

	Personal Care	Total
Salaries	\$ -	\$ 43,027
Fringes	-	2,573
Travel	-	497
Operating services	81	5,453
Operating supplies	5,132	9,014
Other costs	<u>6</u>	<u>9,889</u>
	\$ <u>5,219</u>	\$ <u>70,453</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF STATE FUNDED SENIOR CENTER EXPENDITURES

Year ended June 30, 2002

Expenditures	Senior Center Coordinator	Arthur Monday	Carrollton- Hollygrove	Lakeview Shepherd	Reality House	Central City
Salaries	\$ 29,572	\$ 40,647	\$ -	\$ -	\$ -	\$ -
Fringe benefits	2,289	4,079	-	-	-	-
Travel	2,477	535	-	-	-	-
Operating services	5,912	23,091	-	-	-	-
Operating supplies	271	4,012	-	-	-	-
Other costs	2,450	1,903	-	-	-	-
Grants to subrecipients	<u>-</u>	<u>-</u>	<u>154,628</u>	<u>55,419</u>	<u>55,544</u>	<u>84,292</u>
Total expenses	\$ <u>42,971</u>	\$ <u>74,267</u>	\$ <u>154,628</u>	\$ <u>55,419</u>	\$ <u>55,544</u>	\$ <u>84,292</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF STATE FUNDED SENIOR CENTER EXPENDITURES - Continued

Year ended June 30, 2002

Expenditures	Gordon Plaza	Kingsley House	Uptown Shepherd	E. J. Morris	Ambrose Hubbs	Lower Algiers
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fringe benefits	-	-	-	-	-	-
Travel	-	-	-	-	-	-
Operating services	-	-	-	-	-	-
Operation supplies	-	-	-	-	-	-
Other costs	-	-	-	-	-	-
Grants to subrecipients	<u>68,444</u>	<u>26,885</u>	<u>58,884</u>	<u>129,960</u>	<u>49,447</u>	<u>81,616</u>
Total expenses	\$ <u>68,444</u>	\$ <u>26,885</u>	\$ <u>58,884</u>	\$ <u>129,960</u>	\$ <u>49,447</u>	\$ <u>81,616</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF STATE FUNDED SENIOR CENTER EXPENDITURES - Continued

Year ended June 30, 2002

Expenditures	St. John <u>The Baptist</u>	Treme/ Harmony <u>House</u>	Seventh Ward/ Piolet <u>Land</u>	Our Lady <u>Of Lourdes</u>
Salaries	\$ -	\$ -	\$ -	\$ -
Fringe benefits	-	-	-	-
Travel	-	-	-	-
Operating services	-	-	-	-
Operation supplies	-	-	-	-
Other costs	-	-	-	-
Grants to subrecipients	<u>37,804</u>	<u>60,000</u>	<u>106,800</u>	<u>6,000</u>
Total expenses	<u>\$ 37,804</u>	<u>\$ 60,000</u>	<u>\$ 106,800</u>	<u>\$ 6,000</u>

NEW ORLEANS COUNCIL ON AGING, INC.

STATEMENT OF STATE FUNDED SENIOR CENTER EXPENDITURES - Continued

Year ended June 30, 2002

Expenditures	<u>Washington Action</u>	<u>Holy Ghost</u>	<u>Milan</u>	<u>Audubon</u>	<u>Subtotal</u>	<u>Costs Transferred To Title III B</u>	
							<u>Total</u>
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 70,219	\$ (40,647)	\$ 29,572
Fringe benefits	-	-	-	-	6,368	(4,080)	2,288
Travel	-	-	-	-	3,012	(535)	2,477
Operating services	-	-	-	-	29,003	(23,032)	5,971
Operation supplies	-	-	-	-	4,283	(4,009)	274
Other costs	-	-	-	-	4,353	(493)	3,830
Grants to subrecipients	<u>8,000</u>	<u>48,000</u>	<u>85,000</u>	<u>13,940</u>	<u>1,130,663</u>	<u>(731,373)</u>	<u>399,290</u>
Total expenses	<u>\$ 8,000</u>	<u>\$ 48,000</u>	<u>\$ 85,000</u>	<u>\$ 13,940</u>	<u>\$ 1,247,901</u>	<u>\$ (804,169)</u>	<u>\$ 443,732</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
OF THE RETIRED SENIOR VOLUNTEER PROGRAM**

For the year ended June 30, 2002

	<u>For the nine months ending June 30, 2002</u>	<u>For the three months ending September 29, 2001</u>	<u>Total</u>
Salaries	\$ 44,961	\$ 19,170	\$ 64,131
Fringe benefits	8,790	3,276	12,066
Travel	2,598	308	2,906
Operating services	1,245	3,085	4,330
Operating supplies	823	715	1,538
Other costs	<u>11,890</u>	<u>230</u>	<u>12,120</u>
	<u>\$ 70,307</u>	<u>\$ 26,784</u>	<u>\$ 97,091</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET
RETIRED SENIOR VOLUNTEER PROGRAM**

For the three months ended September 29, 2001

	<u>Budget (Note)</u>	<u>Actual Expenditures</u>	<u>Actual (Over) Under Budgeted Expenditures</u>
Volunteers Support Expenses	\$ 6,367	\$ 26,554	\$ (20,187)
Volunteer Expenses	<u>11,963</u>	<u>230</u>	<u>(11,733)</u>
	<u>\$ 18,330</u>	<u>\$ 26,784</u>	<u>\$ (8,454)</u>

NOTE: Budget amount represents the total budget for the period September 30, 2000 through September 29, 2001, less actual expenditures for the period September 30, 2000 through June 30, 2001.

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET
RETIRED SENIOR VOLUNTEER PROGRAM**

For the nine months ended June 30, 2002

	<u>Budget (Note)</u>	<u>Actual Expenditures</u>	<u>Actual (Over) Under Budgeted Expenditures</u>
Volunteers Support Expenses	\$ 111,882	\$ 58,417	\$ 53,465
Volunteer Expenses	<u>21,828</u>	<u>11,890</u>	<u>9,938</u>
	\$ <u>133,710</u>	\$ <u>70,307</u>	\$ <u>63,403</u>

NOTE: Budget amount represents the program budget for the period September 30, 2001 through September 29, 2002.

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
OF THE SENIOR COMPANION PROGRAM**

For the year ended June 30, 2002

	<u>For the nine months ended March 31, 2002</u>	<u>For the three months ended June 30, 2002</u>	<u>Total</u>
Salaries	\$ 44,399	\$ 14,421	\$ 58,820
Fringe benefits	7,004	3,936	10,940
Travel	666	1,257	1,923
Operating services	5,566	572	6,138
Operating supplies	(327)	143	(184)
Other costs	<u>147,850</u>	<u>50,376</u>	<u>198,226</u>
	<u>\$ 205,158</u>	<u>\$ 70,705</u>	<u>\$ 275,863</u>

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET
SENIOR COMPANION PROGRAM**

For the nine months ended March 31, 2002

	Budget <u>(Note)</u>	Actual <u>Expenditures</u>	Actual (Over) Under Budgeted <u>Expenditures</u>
Volunteers Support Expenses	\$ 59,440	\$ 57,308	\$ 2,132
Volunteer Expenses	<u>115,461</u>	<u>147,850</u>	(32,389)
	\$ <u>174,901</u>	\$ <u>205,158</u>	\$ (30,257)

NOTE: Budget amount represents the total budget for the period April 1, 2001 through March 31, 2002, less actual expenditures for the period April 1, 2001 through June 30, 2001.

NEW ORLEANS COUNCIL ON AGING, INC.

**STATEMENT OF EXPENDITURES
COMPARED TO BUDGET
SENIOR COMPANION PROGRAM**

For the three months ended June 30, 2002

	<u>Budget (Note)</u>	<u>Actual Expenditures</u>	<u>Actual (Over) Under Budgeted Expenditures</u>
Volunteers Support Expenses	\$ 84,190	\$ 42,671	\$ 41,519
Volunteer Expenses	<u>174,757</u>	<u>50,376</u>	<u>124,381</u>
	\$ <u>258,947</u>	\$ <u>93,047</u>	\$ <u>165,900</u>

NOTE: Budget amount represents the program budget for the period April 1, 2002 through March 31, 2003

NEW ORLEANS COUNCIL ON AGING, INC.

**COMPARATIVE STATEMENT OF GENERAL FIXED ASSETS
AND CHANGES IN GENERAL FIXED ASSETS**

For the year ended June 30, 2002

	<u>Balance</u> <u>June 30, 2001</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2002</u>
General fixed assets, at cost:				
Transportation equipment	\$ 12,170	\$ -	\$ -	\$ 12,170
Furniture and office equipment	<u>68,042</u>	<u>9,000</u>	<u>(15,937)</u>	<u>61,105</u>
Total general fixed assets	\$ <u>80,212</u>	\$ <u>9,000</u>	\$ <u>(15,937)</u>	\$ <u>73,275</u>
Investment in general fixed assets:				
Property acquired with the following funds:				
Title III B-Supportive Services	\$ 2,483	\$ 12,517	\$ -	\$ 15,000
Title III C-1	13,195	9,000	(1,171)	21,024
General Fund	45,629	-	(20,548)	25,081
JTPA	5,831	-	(5,831)	-
Corporation for National Services	904	-	(904)	-
Department of Transportation	<u>12,170</u>	<u>-</u>	<u>-</u>	<u>12,170</u>
	\$ <u>80,212</u>	\$ <u>21,517</u>	\$ <u>(28,454)</u>	\$ <u>73,275</u>

NEW ORLEANS COUNCIL ON AGING, I INC.

SCHEDULE OF OPERATING TRANSFERS IN AND (OUT)

For the year ended June 30, 2002

	USDA	ACT 735-PCOA	GENERAL FUND	SUPPLEMENTAL SENIOR CENTER	HOME IMPROVEMENT PROGRAM GRANT	ENERGY ASSISTANCE PROGRAM	HOMEMAKER GRANT	TOTAL
Title III (C1) Congregate Meals Program	\$ 16,292	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,292
Title III (C2) Home Delivered Meals Program	195,985	-	-	-	-	-	-	195,985
Title III B Supportive Services	-	-	507	804,169	-	-	-	804,676
Title III (C1) Administration	-	65,202	103,391	-	10,000	-	6,250	184,843
Senior Center Program	-	-	4,789	102,631	-	-	-	107,420
Energy Assistance Program	-	-	-	-	-	(48,043)	-	(48,043)
Homemaker Grant	-	-	-	-	-	-	(6,250)	(6,250)
Home Improvement Program Grant	-	-	-	-	(10,000)	-	-	(10,000)
Supplemental Senior Center	-	-	-	(906,800)	-	-	-	(906,800)
UDSA	(212,277)	-	-	-	-	-	-	(212,277)
Act 735 - PCOA	-	(65,202)	-	-	-	-	-	(65,202)
General Fund	-	-	(108,687)	-	-	48,043	-	(60,644)
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NEW ORLEANS COUNCIL ON AGING, INC.

**SCHEDULE OF PRIORITY SERVICES-
TITLE III, PART B-GRANT FOR SUPPORTIVE SERVICES**

For the year ended June 30, 2002

		TITLE III B SUPPORTIVE SERVICES <u>EXPENDITURES</u>	<u>% OF GEOA GRANT</u>
Access (30%):	Information and Assistance	\$ 159,202	
	Outreach	<u>68,158</u>	
	Total Access expenses	<u>227,360</u>	<u>52%</u>
In-home (15%):	Home repairs and modifications	17,600	
	Homemaker	225,165	
	Personal care	<u>50,120</u>	
	Total In-home expenses	<u>292,885</u>	<u>68%</u>
Legal (5%)	Legal assistance	39,050	<u>9%</u>
Non-priority services		<u>54,890</u>	
	Total III B Supportive Services expenditures	614,185	
Less:	Participant contribution	(<u>55</u>)	
	Title III B-Supportive Services contract	614,130	
Less:	Transfers of contract allotment	(73,000)	
	State Homemakers	(<u>111,967</u>)	
	Original grant award, net of additional State Homemakers and transfers of contract allotments	\$ <u>429,163</u>	

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the year ended June 30, 2002

<u>Federal Grantor/Pass Through Grantors/Program Title</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT YEAR ENDED</u>	<u>PROGRAM OR AWARD AMOUNTS</u>	<u>REVENUE RECOGNIZED</u>	<u>FEDERAL EXPENDITURES</u>	<u>PASS- THROUGH FUNDS</u>
<u>Department of Health and Human Services</u> Passed through the Louisiana Governor's Office of Elderly Affairs: Special Programs for the Aging Title III C1 - Area Agency Administrative	93.045	6/30/02	\$ 120,188	\$ 120,188	\$ 120,188	\$ -
Title III B - Supportive Services	93.044	6/30/02	436,767	436,767	275,107	161,660
Title III C1 - Congregate Meals	93.045	6/30/02	275,398	275,398	275,398	-
Title III C2 - Home Delivered Meals	93.045	6/30/02	226,162	226,162	226,162	-
Title III D - Preventive Health	93.043	6/30/02	26,731	26,731	21,477	-
Title III E - Caregiver	93.052	6/30/02	116,636	116,636	52,844	-
Total Department of Health and Human Services					\$ 971,176	\$ 161,660
<u>Department of Agriculture</u> Passed through the Louisiana Office of Elderly Affairs: U.S.D.A. - Cash in lieu of commodities	10.570 10.570	6/30/02 6/30/01	270,870 275,000	271,656 4,231	\$ 208,046 4,231	- -
					\$ 212,277	-

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - Continued

For the year ended June 30, 2002

<u>Federal Grantor/Pass Through Grantors/Program Title</u>	<u>FEDERAL CFDA NUMBER</u>	<u>GRANT YEAR ENDED</u>	<u>PROGRAM OR AWARD AMOUNTS</u>	<u>REVENUE RECOGNIZED</u>	<u>FEDERAL EXPENDITURES</u>	<u>PASS- THROUGH FUNDS</u>
<u>Department of Housing and Urban Development</u>						
CDGB - Entitlement Grant	14.218	8/31/02	50,000	50,000	\$ 50,000	-
<u>Corporation for National Services</u>						
Retired Senior Volunteer Program	94.002	9/29/01	83,553	23,746	23,746	-
Retired Senior Volunteer Program	94.002	9/29/02	88,813	64,737	49,425	-
Senior Companion Program	94.016	3/31/02	246,360	183,315	183,315	-
Senior Companion Program	94.016	3/31/03	258,947	65,484	63,598	-
Total Corporation for National Services					320,084	-
Total Federal Awards					\$ 1,553,537	\$ 161,660

NOTE TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

NOTE A - BASIS PRESENTATION

The Schedule of Expenditures of Federal Awards is prepared on the accrual basis of accounting. Federal direct programs are identified by Federal Agency. Federal pass-through funds are presented by the entity through which the organization received the Federal financial assistance.

NOTE B - NON-FEDERAL CONTRIBUTIONS

The non-federal contributions consist of the following:

RSVP program - FYE 9/30/01	\$ 36,003
SCP program - FYE 3/31/02	49,221
	<u>\$ 85,224</u>

FRANCIS J. CASCIO, CPA
JAN E. DAVIS, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS***

The Board of Directors
New Orleans Council on Aging, Inc.

We have audited the general purpose financial statements of the New Orleans Council on Aging, Inc. as of and for the year ended June 30, 2002, and have issued our report thereon dated December 12, 2002. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the New Orleans Council on Aging, Inc.'s general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying schedule of findings and questioned costs as items 2002-1, 2002-2, 2002-3, and 2002-4.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the New Orleans Council on Aging, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operations that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the New Orleans Council on Aging, Inc.'s ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2002-5 and 2002-6.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also

considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2002-5 and 2002-6 to be material weakness.

This report is intended solely for the information and use of the audit committee, management, others within the organization and the federal awarding agencies and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Cassio, Davis & Schmitt, LLP

Metairie, Louisiana
December 12, 2002

FRANCIS J. CASCIO, CPA
JAN E. DAVIS, CPA
STEVEN A. SCHMIDT, CPA

MEMBERS
AMERICAN INSTITUTE OF CERTIFIED
PUBLIC ACCOUNTANTS
SOCIETY OF LOUISIANA CERTIFIED
PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL
OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133**

The Board of Directors
New Orleans Council on Aging, Inc.

Compliance

We have audited the compliance of New Orleans Council on Aging, Inc. with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. New Orleans Council on Aging, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of New Orleans Council on Aging, Inc.'s management. Our responsibility is to express an opinion on the New Orleans Council on Aging, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about New Orleans Council on Aging, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on New Orleans Council on Aging's Inc.'s compliance with those requirements.

As described in item 2002-7 in the accompanying schedule of findings and questioned costs, New Orleans Council on Aging, Inc., did not comply with requirements regarding filing of quarterly reports that are applicable to its Retired Senior Volunteer Program and Service Companies Program. Compliance with such requirements is necessary, in our opinion, for New Orleans Council on Aging, Inc. to comply with requirements applicable to that program.

In our opinion, except for the noncompliance described in the preceding paragraph, New Orleans Council on Aging, Inc., complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control Over Compliance

The management of New Orleans Council on Aging, Inc. is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered New Orleans Council on Aging, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect New Orleans Council on Aging, Inc.'s ability to administer a major federal program in accordance with the applicable requirements of laws, regulations, contracts and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2002-8 and 2002-9.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2002-8 and 2002-9 to be material weakness.

This report is intended solely for the information and use of the audit committee, management, others within the organization and the federal awarding agencies and pass-through agencies and is not intended to be and should not be used by anyone other than these specified parties.

Cassio, Davis + Schmidt, LLP

Metairie, Louisiana
December 12, 2002

NEW ORLEANS COUNCIL ON AGING, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year ended June 30, 2002

A. SUMMARY OF THE AUDITOR'S REPORT

1. An unqualified opinion was issued on the general purpose financial statements of the auditee.
2. Reportable conditions in internal control were disclosed and are deemed material weaknesses.
3. The audit disclosed no instances of noncompliance that were material to the financial statements of the auditee.
4. One reportable condition disclosed during the audit of internal control over major federal award programs is reported in the Schedule of Findings and Questioned Costs. The condition is reported as a material weakness.
5. A qualified opinion was issued on compliance for major programs.
6. The audit disclosed two findings which are required to be reported under Section 510(a) of Circular A-133.
7. Major programs for the fiscal year ended June 30, 2002 were:
 - Title III B-Supportive Services - CFDA #93.044
 - Title III C2-Home Delivered Meals - CFDA #93.045
 - Title III C1-Congregate Meals - CFDA #93.045
 - Title III C1-Administration - CFDA #93.045
8. The dollar threshold to distinguish between Type A and Type B programs were \$300,000.
9. The auditee did not qualify as a low-risk auditee.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended June 30, 2002

B SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS

Compliance

New Orleans Council on Aging, Inc.

Questioned
Costs

2002-1. Financial Reports

Statement of Condition: Financial reports are not being prepared from a complete and accurate general ledger. The financial report for the state funded RSVP program match was not totally expended.

Criteria: A complete and accurate general ledger should be used to prepare financial reports.

Effect of Condition: Management lacks the financial information needed to prepare accurate financial reports.

Questioned Costs:

\$ 1,228

Recommendation: We recommend that financial reports be prepared using a complete and accurate general ledger.

Response: See Corrective Action Plan.

2002-2. Budgeting

Statement of Condition: The Governor's Office of Elderly Affairs requires that each line item expenditure be within 10% of the approved program budget.

Criteria: Each line item expenditure should not exceed the approved budgeted amounts by more than 10%.

Effect of Condition: Lack of compliance with the requirements of the Governor's Office of Elderly Affairs.

Questioned Costs: Not applicable.

Recommendation: We recommend that the financial statements be monitored to prevent expenditures from exceeding budgeted amounts by more than 10%.

Response: See Corrective Action Plan.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS- CONTINUED

Year ended June 30, 2002

B. SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS - Continued

Compliance - continued

STATE FUNDED SENIOR CENTER PROGRAMS

Ambrose Hubbs Senior Center

Questioned
Costs

2002-3 Accounting System

Statement of condition: A general ledger was not maintained for the year ended June 30, 2002, and supporting documentation was not available for review.

Criteria: A complete and accurate general ledger should be maintained and financial statements should be prepared. Supporting documentation should be maintained to support the books of original entry.

Effect of Condition: A complete and accurate general ledger needs to be maintained to support the monthly financial reports submitted to its funding sources. Failure to maintain supporting documentation results in disallowed costs.

Questions Costs: \$49,447.

Recommendation: We recommend that a complete general ledger be maintained with supporting documentation.

Response: See Corrective Action Plan.

Holy Ghost Senior Center

2002-4 Accounting System

Statement of condition: A general ledger was not maintained for the year ended June 30, 2002, and supporting documentation was not available for review.

Criteria: A complete and accurate general ledger should be maintained and financial statements should be prepared. Supporting documentation should be maintained to support the books of original entry.

Effect of Condition: A complete and accurate general ledger needs to be maintained to support the monthly financial reports submitted to its funding sources. Failure to maintain supporting documentation results in disallowed costs.

Questions Costs: \$48,000.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED

Year ended June 30, 2002

B. SCHEDULE OF FINDINGS RELATED TO FINANCIAL STATEMENTS - Continued

Compliance - continued

STATE FUNDED SENIOR CENTER PROGRAMS - Continued

Holy Ghost Senior Center - Continued

Questioned
Costs

2002-4 Accounting System - Continued

Recommendation: We recommend that a complete general ledger be maintained with supporting documentation.

Response: See Corrective Action Plan.

Reportable Conditions

2002-5 General Ledger

Statement of Condition: The general ledger was not maintained on a timely basis.

Criteria: A complete and accurate general ledger should be maintained timely.

Effect of Condition: Management lacks the financial information needed to prepare financial statements to safeguard the Organization's assets.

Questioned Costs: Not applicable

Recommendation: We recommend that a complete general ledger be maintained on a timely basis.

Response: See Corrective Action Plan.

2002 -6 Cash Accounts

Statement of Condition: The cash accounts are not reconciled to the bank statements timely.

Criteria: Bank reconciliations are needed in order to accurately present the cash position of the Organization.

Effect of Condition: Management could be making disbursement decisions without knowing the correct cash balance.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

Year ended June 30, 2002

B. SCHEDULE OF FINDINGS RELATED TO THE FINANCIAL STATEMENTS - Continued

Reportable Conditions - Continued

2002 -6 Cash Accounts - Continued

Questioned
Costs

Questioned Costs: Not applicable.

Recommendations: We recommend that all cash accounts be reconciled to the bank statements monthly.

Response: See Corrective Action Plan

C. SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED
TO FEDERAL AWARDS

Compliance

Corporation for National Services

2002-7 Financial Reports - Retired Senior Volunteer Program and Senior
Companion Program

Statement of Condition: The June 30, 2002 quarterly report was not completed as of the date of the audit report (December 12, 2002).

Criteria: The quarterly reports are due 30 days after the end of the quarter.

Effect of Condition: Lack of compliance with funding requirements, and costs may be disallowed.

Questioned Costs: Not applicable.

Recommendation: We recommend that the quarterly reports be prepared and submitted timely.

Response: See Corrective Action Plan.

Reportable Conditions

All Programs

2002 - 8 General Ledger

Statement of Condition: The general ledger was not maintained on a timely basis.

NEW ORLEANS COUNCIL ON AGING, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - Continued

Year ended June 30, 2002

C. SCHEDULE OF FINDINGS AND QUESTIONED COSTS RELATED
TO FINANCIAL AWARDS - Continued

Reportable Conditions

All Programs

Questioned
Costs

2002 - 8 General Ledger - Continued

Criteria: A complete and accurate general ledger should be maintained.

Effect of Condition: Management lacks the financial information needed to prepare financial statements to safeguard the Organization's assets.

Questioned Costs: Not applicable.

Recommendation: We recommend that a complete general ledger be maintained on a timely basis.

Response: See Corrective Action Plan.

2002 - 9

Statement of Conditions: The cash accounts are not reconciled to the bank statement timely.

Criteria: Bank reconciliations are needed in order to accurately present the cash position of the Organization.

Effect of Conditions: Management could be making disbursement decisions without knowing the correct cash balance.

Questioned Costs: Not applicable

Recommendation: We recommend that all cash accounts be reconciled to the bank statements monthly.

Response: See Corrective Action Plan.

Total Questioned costs

\$ 98,675

NEW ORLEANS COUNCIL ON AGING, INC.

STATUS OF PRIOR YEAR AUDIT FINDINGS

June 30, 2002

<u>Reportable Conditions</u>	<u>Resolved</u>	<u>Unresolved</u>	<u>Audit Finding Number</u>
New Orleans Council on Aging, Inc. Budgeting		X	2002-2
Senior Centers	X		
Treme Community Center Van lease	X		
Ambrose Hubbs (Note)	X		
Holy Ghost Senior Center (Note)	X		

Note

As of June 30, 2002, Ambrose Hubbs and Holy Ghost Senior Centers contracts/grants were terminated.

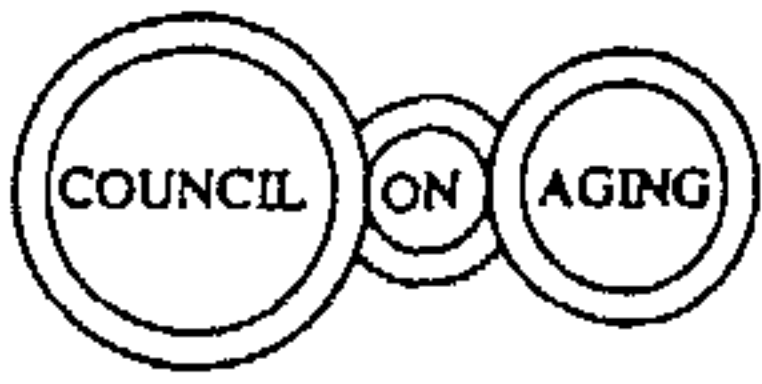
NEW ORLEANS COUNCIL ON AGING, INC.

EXIT CONFERENCE

June 30, 2002

An exit conference was held at the New Orleans Council on Aging, Inc.'s administrative offices on December 20, 2002. The following were in attendance:

Howard Rodgers, III, Executive Director
Robert E. Bermudez, 2nd Vice-President
Adrian Griffin, Comptroller
Collie Edwards, Assistant Executive Director
Francis J. Cascio, CPA



**NEW ORLEANS COUNCIL ON AGING
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EMELDA WASHINGTON-LLOYD
President

HOWARD L. RODGERS, III
Executive Director

Corrective Action Plan

Compliance

New Orleans Council On Aging, Inc.

2002-1 Financial Reports

The Comptroller of the New Orleans Council on Aging has been directed to complete the general ledger and review it for accuracy before preparing financial reports. Additionally, the Controller must submit the general ledger for inspection by the Accountant Consultant retained by this agency on a regular basis to assure that the general ledger is maintained in a timely fashion.

2002-2 Budgeting

The Council on Aging has retained an in-house Comptroller. He will monitor line item expenditure and adjust the budget to assure compliance with the Governor's Office of Elderly Affairs' requirement of the 10 % rule.

Senior Centers

Reportable Conditions Senior Centers:

Ambrose Hubbs
Holy Ghost

Management of the New Orleans Council on Aging will obtain a response from the Senior Centers on which audit findings were reported and forward such responses to the Legislative Auditor.

The Ambrose Hubbs and Holy Ghost Senior Centers are no longer operational and we are awaiting response from the Office of Elderly Affairs on the disposition of their respective programs.

New Orleans Council On Aging, Inc.

2002-6 Cash Accounts

The Comptroller has been directed to develop and maintain an accurate system of maintaining the general ledger in order that all cash accounts are reconciled to bank statements monthly.

2002-7 Financial Reports-Retired Senior Volunteer Programs and Senior Companion Program

The Comptroller has been directed to submit all reports on or before the due date to assure compliance with funding requirements of City, State, and Federal Programs.

2002-8 General Ledger

The Comptroller has been instructed to maintain the general ledger on a timely basis in order to comply with the audit findings and also to assure that there is true and accurate information concerning the financial condition of the organization.

2002-9 Cash Accounts

The Comptroller has been instructed to reconcile all cash accounts to the bank statements in a timely fashion.